



February 27, 2002

Ex Parte

Ms. Dorothy Attwood
Chief
Common Carrier Bureau
Federal Communications Commission
Portals II
Room TW-A325
445 12th Street, S.W.
Washington, D.C. 20554

Re: Toll Free Service Access Codes, Forum to Discuss Toll Free
Number Administration CC Docket No. 95-155
NSD File No. L-02-00

Dear Ms. Attwood:

I am filing this ex parte letter on behalf of Telstar International, Inc. (Telstar) both in anticipation of the March 4 forum in the above referenced docket and pursuant to a conversation I had with Jennifer Gorny of the Network Services Bureau. Although a representative from Telstar will not be able to attend the March 4 meeting, there are certain issues that Telstar believes should be addressed in any forum and/or rulemaking proceeding on the issue of toll free number administration. In particular, Telstar supports the Commission's efforts to eliminate the hoarding and brokering of toll free numbers and urges the Commission to take steps to assure that bona fide requestors of vanity numbers are not impeded in efforts to obtain those numbers by marketing firms looking to charge a fee for use of those numbers.

The Commission has previously found that toll free numbers are a scarce national resource in which no carrier or subscriber has an ownership interest. Accordingly, no carrier or subscriber is authorized to offer toll free numbers for sale or for lease, a



practice that the FCC has defined as “hoarding” and which it has specifically prohibited.¹ It has been Telstar’s experience however, that the practice of hoarding numbers is becoming all too prevalent in certain industry sectors, and therefore Commission action is required to stem this activity.

By way of background, Telstar is a reseller of international toll services including toll free access services. As such, Telstar often has a need to acquire toll free numbers that its customers can use to access the Telstar network.² In its attempts to obtain the use of vanity toll free numbers for this purpose, Telstar has often found that the desired numbers are already assigned – not however, to bona fide users-- but instead to “marketing firms” or “telemarketing service bureaus.” Apparently marketing firms obtain vanity numbers from their RespOrg affiliates, thus becoming the customer of record for those numbers. The marketing firm then offers potential customers the use of the vanity numbers for a fee. Often the toll free number in question has not been obtained on behalf of a specific customer of the marketing firm – but instead on speculation. When dialed, the number then plays a recording providing the caller with information regarding how to contact the marketing firm in order to lease the number. This practice clearly denies bona fide users the opportunity to obtain these numbers through the normal first come first serve process adopted by the Commission, and is the practical equivalent to

¹ Specifically, 47 C.F.R. §52.107 of the Commission’s rules state as follows:

- (a) As used in this section, hoarding is the acquisition by a toll free subscriber from a Responsible Organization of more toll free numbers than the toll free subscriber intends to use for the provision of toll free service. The definition of hoarding also includes number brokering, which is the selling of a toll free number by a private entity for a fee.
 - (1) Toll free subscribers shall not hard toll free numbers
 - (2) No person or entity shall acquire a toll free number for the purpose of selling the toll free number to another entity or to a person for a fee.



hoarding and brokering as defined in the Commission's Rules. Accordingly the Commission should ensure that if marketing firms are continued to be permitted to obtain numbers from affiliate RespOrgs, they do so only at the written request of actual, existing customers, not merely on speculation, and that the number is then put into active use on behalf of that customer. Similarly, if a number is requested and then returned by a customer of a telemarketing service bureau, then the telemarketing service bureau must be required to return that number to the pool. These safeguards should help prevent the unfair practice discussed above. Telstar hopes that this issue will be addressed at both its March 4 forum and in any further rulemaking action to take place this proceeding.

Respectfully submitted,

S _____
Hope Halpern
Director of Regulatory Affairs
914-428-5555 ext. 219
Telstar International, Inc.
1 North Broadway
White Plains, NY 10601

cc: Dianne Griffin-Harmon, Assistant Chief, CCB
Jennifer Gorny, Network Services Bureau

² Typically, a customer dials a toll free number to access the Telstar network, hears a tone and is then prompted to dial a destination number.

